ZELLE LLP

Isabella Stankowski-Booker, Esq. 45 Broadway, Suite 920 New York, New York 10006 Tel.: (646) 876-4411

IStankowski@zelle.com

Attorneys for Defendant QBE Specialty Insurance Company

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

In re:

CENTURY 21 DEPARTMENT STORES, LLC, et al. 1

Debtors.,

Chapter 11

Case No. 20-bk-12097 (SCC)

Jointly Administered

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are Century 21 Department Stores LLC (4073), L.I. 2000, Inc. (9619), C21 Department Stores Holdings LLC (8952), Giftco 21 LLC (0347), Century 21 Fulton LLC (4536), C21 Philadelphia LLC (2106), Century 21 Department Stores of New Jersey, L.L.C. (1705), Century 21 Gardens of Jersey, LLC (9882), C21 Sawgrass Blue, LLC (8286), C21 GA Blue LLC (5776), and Century Paramus Realty LLC (5033). The Debtors' principal place of business is: 22 Cortlandt Street, 5th Floor, New York, NY 10007.

CENTURY 21 DEPARTMENT STORES, LLC, 66 PEARL RETAIL, LLC, 66 PEARL RETAIL II, LLC, 66 PEARL RETAIL ISG, LLC, 173 BWAY BLUE LLC, 262 MOTT BLUE TIC LLC, 444 86 BLUE LLC, MIAMI DD 101 BLUE LLC, 28 NEWBURY JSRE TIC LLC, TRUE BLUE ASSOCIATES LLC, STAR OF DAVID, IRAYMOND-77 WARREN LLC, SABRA ASSOCIATES LLC, 315 SEVENTH RETAIL LLC, WEBWAY ASSOCIATES LLC, and CENTURY 21, INC.,

Plaintiffs,

v.

STARR SURPLUS LINES INSURANCE CO.,
ALLIANZ GLOBAL RISKS US INSURANCE CO.,
AXIS SURPLUS LINES INSURANCE CO.,
LIBERTY MUTUAL FIRE INSURANCE CO.,
STEADFAST INSURANCE CO.,
ENDURANCE AMERICAN SPECIALTY INSURANCE CO.,
EVANSTON INSURANCE CO.,
LANDMARK AMERICAN INSURANCE CO.,
QBE SPECIALTY INSURANCE CO.,
GREAT AMERICAN FIDELITY INSURANCE CO.,
and CERTAIN UNDERWRITERS AT LLOYDS
SUBSCRIBING TO POLICY Nos. PG1902704,
PG1902346, PG1902696, PG1902698, PG1902707,
PG1902702, and PG1902712,

Defendants.

Adv. Proc. No. 20-1222 (SCC)

STATEMENT OF DEFENDANT QBE SPECIALTY INSURANCE COMPANY PURSUANT TO FED. R. BANKR. P. 9027(e)(3)

Defendant QBE Specialty Insurance Company ("QBE"), by and through undersigned counsel, hereby files this statement pursuant to Fed. R. Bankr. P. 9027(e)(3).

- Plaintiffs originally brought the above-referenced insurance coverage action in the Supreme Court of the State of New York, County of New York (Index No. 652975/2020) on July 8, 2020 (the "Insurance Action").
 - 2. Plaintiffs served the Complaint on QBE on or about September 2, 2020.

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3. On September 11, 2020, Plaintiffs removed their own action to the United States

District Court for the Southern District of New York even though only one Plaintiff, Century 21

Department Stores, LLC, is a debtor in the voluntary petition for Chapter 11 bankruptcy and there

is no diversity jurisdiction in this matter.

4. On September 22, 2020, pursuant to the District Court's Amended Standing Order

of Reference (M10-468), this proceeding was referred to this Court (the "Bankruptcy Court")

[Docket No. 1].

5. QBE denies that the Insurance Action constitutes a core proceeding under 28 U.S.C.

 $\S 157(b)(2)(A), (C) \text{ or } (O) \text{ or otherwise.}$

6. Accordingly, pursuant to 28 U.S.C. § 157(c)(2) and Rule 9027(e)(3) of the Federal

Rules of Bankruptcy Procedure, QBE hereby states that it does not consent to the entry of final

orders or judgments by the Bankruptcy Court.

7. OBE does not waive and expressly reserves all of its respective rights, claims,

defenses and remedies, including without limitation: (a) the right to request that the Court abstain

from hearing this proceeding or remand this proceeding; (b) the right to demand a jury trial; and

(c) the right to request that the reference of this proceeding to this Court be withdrawn.

Dated: September 25, 2020

New York, New York

ZELLE LLP

Isabella Stankowski-Booker, Esq.

45 Broadway, Suite 920

New York, New York 10006

Tel.: (646) 876-4411

-and-

Shannon O'Malley, Esq. (to be admitted *pro hac*)

M. Paige Tackett, Esq. (to be admitted *pro hac*)

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901 Main Street; Suite 4000 Dallas, Texas 75202

ATTORNEYS FOR DEFENDANT QBE SPECIALTY INSURANCE COMPANY

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CERTIFICATE OF SERVICE

I hereby certify that, on September 25, 2020, I caused a copy of the foregoing Statement Pursuant to Fed. R. Bankr. P. 9027(e)(3) to be served by electronic notification through the CM/ECF System on all parties registered to receive notice in this case.

ZELLE LLP

Isabella Stankowski-Booker, Esq.

45 Broadway, Suite 920

New York, New York 10006

Tel.: (646) 876-4411

ATTORNEYS FOR DEFENDANT QBE SPECIALTY INSURANCE COMPANY